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outcome of the continued growth of democracy under modern conditions.

With due regard for the serious purpose of the book, and for its many excellent features, it is to be said that it falls short of an exhaustive analysis of the social ills on which the socialist movement feeds, as well as of the full scope of the social changes that must be accomplished if the remedy for these ills is to be found in the direction of that movement.

T. B. VEBLEN.

*Geschichte des Socialismus und Communismus im 19 Jahrhundert.* By Dr. OTTO WARSCHAUER. Leipzig: Gustav Fock, 1892 and 1893. 8vo. *Erste Abtheilung: Saint-Simon und der Saint-Simonismus*, pp. x. + 106. *Zweite Abtheilung: Fourier, Seine Theorie und Schule*, pp. vii. + 131.

THE two installments already published of this work make up but a small part of the book as it will appear when completed. It takes up the history of nineteenth century socialism in greater detail than the volume by Kirkup, and has more of a narrative and expository character. The preface (to part II.) states that "all dependence on second-hand material has been avoided on principle," the aim being to meet the want that exists in economic literature of "a history of socialism drawn directly from original sources."

The author treats his material from the standpoint of economics, and introduces no biographical matter, beyond what is necessary in order to an intelligent discussion from that standpoint. It is (or perhaps better, promises to be) a work of painstaking research, and is exhaustive to the extent which its volume will permit. The summaries of the various doctrines discussed are necessarily somewhat brief, but these, as well as the discussion and the estimates of men and doctrines, are fair and dispassionate.

T. B. V.

*Grundriss der Politischen Oekonomie.* DR. EUGEN VON PHILIPPOVICH, Professor an der Universität Freiburg. Erster Band. Allgemeine Volkswirtschaftslehre. Freiburg im B. und Leipzig, 1893: J. C. B. Mohr. 1 vol. pp. viii. + 348.

Professor Philippovich offers us in his *Grundriss* a careful and systematic account of Political Economy as the science now stands, after the critical work of the so-called historical school, and the reconstructive work of Jevons and other English writers, and of the

Austrian economists and their followers, on the lines laid down by the earlier English, German and French writers. In my opinion, the character of the book can well be indicated by associating it with the late work—*The Principles of Economics*—of Professor Marshall. Both books build the present on the past, and exhibit thus the continuity of the science; but Philippovich does this in a very different way from Marshall. Marshall impresses one as trying to incorporate advance in theory with old theory by widening out the laws of economics so as to include modifications; Philippovich preserves the continuity of economics in view of the greater complexity of facts that have been pointed out to the economist, by more carefully defining the economic sphere, by in fact limiting economic laws to what he calls economic unities or societies, each of which he most carefully defines. The laws of the science have been everything to Marshall; he wants to save them or at least reduce them to modifications of one or two fundamental laws, and his book is investigative in the very highest degree, demanding supreme effort on the part of the student. Now, what has been present to Philippovich from beginning to end, has not been the conception of economic law of the English economists from Senior and James Mill downwards, but the conception of the economic sphere, the nineteenth century idea of some organic economic unity expressed first of all for German thinking by von Thünen and actually treated in our own day by writers like Wagner and Schaffle.

Philippovich writes of no one economic society in particular; that is to say, one is left to make a synthesis of the economic spheres he does describe to find out what economics itself really is, and what laws govern the industrial organization of to-day. At one place, and indeed repeatedly throughout his book, he is influenced by the conception of an economic society in which economic forces are in equilibrium, and which is, as it were, free from the external interference of forces which are non-economic. The reasoning is thus made to wear a hypothetical aspect. Not that Philippovich argues *in vacuo*: what he does is to determine in general what we must understand by economic phenomena—processes and arrangements arising out of the economic principle in human activity, *i. e.*, man's supplying himself with commodities—by the conditions which make a society an economic unity, by the end of economic action. Here Philippovich is characteristically unable to set up any end outside the economic

principle in human activity, and, therefore, simply declares production with least cost in view of net product to be the aim of any economy; and then he takes up different possible and actual economic societies, such as the family, the society where the principle of individual economic advantage holds good, and where there is free or regulated exchange [*die verkehrswirtschaftliche*], the society where economic interests are subordinated to a rigid system or order, and where the conservation of the interests of all determine the economic relations of individual members [*die verkehrlose*], the state, and so on,—showing the laws which govern each of these societies, and, *ipso facto*, the limitations of these laws. From first to last he is strong, because he defines and distinguishes. I repeat, he does not attempt a reduction of economic laws into each other, or into a few fundamental laws, nor the distinction of fundamental from secondary laws; he points out various spheres of economic activity, and the various laws operating therein,—his assumption practically being that the world is an economy of economies. He also describes the modifications which evolution and history work in and over economic societies, and, on the whole, wherever he faces the question of a possible art of Political Economy, he keeps on the safe ground of actual narrative of past and contemplated changes; we cannot, he would hold, make economic interests all determinative, because economic forces are modifiable by forces that are non-economic.

Philippovich regards Political Economy as having a theoretical part (*Nationalökonomie*), and a historical part, with a third part embracing various practical disciplines—such as agriculture, technic of trade, and the science of finance. The present volume is introductory and, in the main, theoretical. The first book is a systematic account of the genetic and essential conditions—natural, social, political—of economic society. The fifth offers us the substitute I mentioned for the art of Political Economy, and is, perhaps, the least original part of the book, being a fairly orthodox, German account of Individualism, Socialism and Social reform. In the introduction, the author outlines for us the facts and problems of Political Economy. As to the former, he starts as a follower of the Austrians, and of the most recent experimental psychology, with a classification of needs and active [literally “excited”] needs, and a corresponding classification of goods (*Genussgüter*, *Produktionsmittel*); and as to the latter, with the fact of the various economies referred to, the chief problem

being the conditionedness (*Bedingtheit*) of individual economy by social economy—this is a recurrent idea in the book—and of any economy by environment. He is no more an exclusive adherent of the Austrians, than he is of J. S. Mill (whom he frequently refers to); indeed as to positive content the volume represents an honest and, I think, a perfectly successful attempt to combine the teachings of the Austrians with traditional doctrines. This body of the work is given in Book II. on Production and Acquisition; in Book III. on Exchange; and Book IV. on Income and Consumption. The subject of Method is aptly dismissed by an admission tantamount to Böhm-Bawerk's profession, that Political Economy may at any one time employ any one method or combination of methods confessedly incident to any given purpose. In general it is a merit of the book that in it one finds Political Economy to have cast off from the maiden-like introspective and critical attitude it was forced to assume in answering the so-called historical school.

It is satisfactory to find in this book a proper estimation of the teaching of the Austrians on value. Roughly, Philippovich proceeds on the now common admission that what final utility explains is subjective value, and that that is not the whole of value; although, throughout his treatment of value, he never loses sight of the fact that value rests in the end on a relation which things have through each other to economic needs, using generally the term *Verwendung*, and sometimes Schäffle's *Bedeutung*, in this regard. He thinks that all cases of value may practically be reduced to the two of subjective and objective. Objective value he soon identifies with price, and allows to disappear in the question of the movement of prices. Subjective value may mean value in use, and here final utility is determinative of it; or it may mean the value of productive, or multipliable goods, and here final utility is (mediately, of course) determinative; on the whole all cases of subjective value are homogeneous and are explained by final utility (*Grenznutz*). It is only owing to the developed or complex character of our modern economy that final utility is lost sight of; we have got accustomed to thinking of things in terms of each other, or of money, and not of wants—a thing that Dietzel in a recent controversy in Conrad's *Jahrbücher* forgets, according to Philippovich. Further, Philippovich says elsewhere that it is only in societies where individual interest completely rules that value is determined by final utility. If we ask ourselves where such a society is, we have an exam-

ple of what might be called the hypothetical character of Philippovich's conclusions in general, *i. e.*, they all apply to particular sets of circumstances. Where there is competition among sellers, cost of production regulates value; that is, this law, too, has validity within a certain range, which Philippovich defines for us in five positions. All this shows the book in the concrete. As to wages and earnings of management, Philippovich stands as near to Mill as a generation or more of clear definition and distinction (*e. g.*, between classes of laborers, capitalist and manager, etc.) renders possible. He confesses the condition of all laborers to be highly unsatisfactory, and competition to have manifest disadvantages, but here as elsewhere he can only think by way of remedy of the modifying influence of time and public opinion as expressing itself in the state or community. As to interest, Philippovich confesses that he holds on the whole to the view which Böhm-Bawerk disposes of as the productivity theory, and that in particular his position is most akin to that taken by Walker.<sup>1</sup> Most of the other ordinary economic phenomena, like price, credit, capital, are discussed in the spirit characteristic of the book; that is, in each case, one gets a careful statement of their sphere and the laws which govern them within that sphere, and, through discrimination, a conciliatory or sympathetic version of current theories.

The *Grundriss* is not investigative in tone, but didactic; it is not even reconstructive, but positive; it has no predominating interest save a perfectly balanced and lucid treatment of the whole subject of theory. Many of the definitions are apt to strike one as somewhat formal, and as problems to be solved only by a statement of the conditions of their solution, if one forgets that the book purports to be firstly, introductory, and, secondly, a manual or outlines of the subject. As a fresh and scholarly and methodized statement of what has been settled in economic theory, on the presupposition of an accurate psychology, of ethical, political and natural science, and in face of the modern facts of industrial organization down to trades-unions and corporations and trusts, it represents the high water-mark of the science in whatever way we choose to regard it. In the balance which it strikes between the hypothetical and the positive aspects of political economy it is classical. Being admirably divided into sections, and containing an exhaustive bibliography of each topic discussed, it would be a most serviceable book for mature students, especially at this time, when the

<sup>1</sup> In an article in the *Quarterly Journal of Economics*, 1892, p. 399.

want is still felt of a book representing, with some degree of definiteness, practically the work of two generations that have elapsed since Mill's *Principles*. If there is any one thing that one regrets, it is the absence of a more detailed treatment of the subject of consumption; indeed, one is even led to expect it in the author's statement of the four main problems of his science, but, as I say, his purpose has been simply to give it its place in the whole of the theory, like any other part of the subject. The *Grundriss* is essentially the very best sort of *Lehrbuch* for the capable student.

W. CALDWELL.

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*The Twenty-fourth Annual Coöperative Congress of Great Britain.*  
Held in June, 1892, at Rochdale. Report published by the  
Coöperative Union, Limited, Manchester.

In the light of the recent valuable books of Miss Potter (now Mrs. Webb) on *The Coöperative Movement*, and of Mr. Schloss on *Methods of Industrial Remuneration*, which seem to be sound in reference to coöperation, although not altogether appreciative of profit-sharing, the public are prepared to examine with care the facts of coöperation brought out at the last congress.

Much interest was there shown in the resolution adopted that coöperative societies should pay their employees trades-union rates of wages, and should combine to demand from Parliament the application of the same laws regarding sanitation (and ultimately hours of labor) to tenement-made goods as to factories, so as to break up the sweating system.

Great interest attached, also, to the consideration of some means of coöperation with each other and in dealings with the coöperative stores on the part, first, of the so-called "productive" (*i. e.*, manufacturing) societies, owned by thousands of individual stockholders of the wage-earning class (albeit not commonly workers in the factories thus owned); and, secondly, as to coöperation with larger and more successful "productive" societies owned by the wholesale societies or by the stores which compose them.

A committee was ordered to report a plan of coöperation at the next congress.

Thirty-one new "productive" societies were registered in 1891, of which ten were boots and shoes, five tailoring, three cabinet-making, two building and eleven others in various industries. Nearly every